

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)

Geographic Partitioning and Spectrum)
Disaggregation by Commercial Mobile)
Radio Services Licensees)

WT Docket No. 96-148

Implementation of Section 127 of the)
Communications Act -- Elimination)
of Market Entry Barriers)

GN Docket No. 96-113

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REPLY COMMENTS OF MOTOROLA, INC.

Motorola, Inc. ("Motorola") hereby submits its response to comments filed on the above-captioned ("Notice").¹ Motorola's comments in this proceeding generally supported the Commission's proposal to allow geographic partitioning and spectrum disaggregation, but advocated allowing licensees to disaggregate spectrum in amounts smaller than 1 MHz. Specifically, Motorola noted that permitting spectrum disaggregation of at least 100 kHz of paired spectrum (*i.e.*, 100 kHz + 100 kHz) would create regulations that are technology- and application-neutral, furthering the Commission's goal of a open and competitive mobile services marketplace. In this reply, Motorola notes that there is substantial support for increasing the flexibility of the Commission's disaggregation policies. Motorola submits that a

¹Geographic Partitioning and Spectrum Disaggregation by Commercial Mobile Radio Services Licensees, WT Docket No. 96-148, FCC 96-287 (July 15, 1996). The Notice was published in the Federal Register on July 25, 1996, and, accordingly, comments in this proceeding are due on August 15, 1996. Pursuant to ¶70 of the Notice, these comments have also been submitted to Dorothy Conway at the FCC and Timothy Fain at OMB.

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minimum disaggregation amount of 100 kHz paired properly balances flexibility and the administrative burdens of wholly arbitrary disaggregation, and thus should be adopted.

Motorola's comments in this docket noted that the *Notice* proposal to allow spectrum disaggregation in increments of 1 MHz may inadvertently inhibit the development of certain technologies and applications. Specifically, Motorola noted that, because no single technology is appropriate for all types of applications, a 100 kHz paired floor is preferable because the finer spectrum increments can serve as "building blocks" to aggregate one or more channels for virtually any type of transmission technology. The benefits are clear: more freedom for potential licensees to develop customized offerings; greater flexibility for licensees to acquire only the spectrum they need; and, licensee business flexibility to serve innovative new markets and develop specialized applications. Moreover, as Motorola noted in its initial comments, permitting disaggregation in smaller blocks would increase small business -- and very small business -- participation in PCS by allowing the creation of entry opportunities at lower market entry costs.

The record developed in this proceeding supports allowing greater flexibility to licensees seeking to disaggregate spectrum. Sprint Spectrum L.P. ("Sprint"), for example, notes that the proposed 1 MHz limitation "would hinder development of more efficient uses of the PCS spectrum."² Sprint also notes that "[a] licensee should have the option of disaggregating smaller than 1 MHz pairings if the bandwidth needs of the disaggregating party

²Comments of Sprint Spectrum L.P. at 5.

are less than that amount,"³ and concludes that "the market and available technology, rather than regulation, should set any limits."⁴ Similarly, Omnipoint Corporation observes that "PCS technologies do not operate within such 'round' amounts of bandwidth," and urges the Commission to allow unrestricted disaggregation.⁵ Omnipoint goes on to argue that "none of the current four mobile PCS technologies are divisible evenly into one MHz units," and urges the Commission to "avoid inadvertent bias in favor of certain technologies and against others."⁶ CTIA also notes that the 1 MHz minimum requirement would result in new entrants obtaining more spectrum than potentially needed.⁷

In conclusion, Motorola supports the *Notice* proposals to provide flexibility to broadband PCS licensees, spurring innovation and competition. At the same time, the record demonstrates that the minimum spectrum disaggregation increment should be modified to allow disaggregation below 1 MHz and to promote technology- and application-neutrality. On

³*Id.*

⁴*Id.*

⁵Comments of Omnipoint Corporation at 10.

⁶*Id.*

⁷CTIA Comments at 6.

balance, Motorola believes that its proposal for allowing disaggregation in the amount of 100 kHz of paired spectrum will serve these goals without substantially increasing the administrative burden on the Commission.

Respectfully submitted,

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